Press Release

Algebris launches the Quant Arbitrage Fund, a novel approach to volatility analysis

London, United Kingdom (28th May 2019) - Algebris Investments, a global independent asset manager, has launched Algebris Quant Arbitrage Fund, a sub-fund of Algebris UCITS Plc. Gianluca Lobefalo, Head of Quant Strategies, manages the fund together with a dedicated team with a 10-year track record that joined Algebris in November last year.

The fund aims at benefitting from changes in volatility regime, regardless of market direction, via a quantitative statistical arbitrage strategy.

Over the last decade, Central Banks' QE programmes have artificially suppressed market volatility. Investors increasingly concentrate in passive or “risk-parity” investment strategies, thus letting system fragility grow due to spreading imitative phenomena.

Market/sector neutral as well as liquid, Algebris Quant Arbitrage Fund approach to investments is systematic, based on a proprietary model built around pairs of large and mid-cap stocks in the US and Europe.

The attentive risk management on multiple levels (single name, pair, sector) along with a robust innovative methodology to predict price dynamics of underlying assets offer an interesting solution to investors looking for uncorrelated returns and effective hedging in instable market conditions.

Gianluca Lobefalo commented: “Since 2008, we have been able to develop and constantly refine our strategy; the properties on which it is built make its predictive power highly powerful and reliable, even under tough circumstances”.

Davide Serra, Algebris Founder and CEO, continued: “We are proud to have further expanded our expertise by onboarding such Quant team. In the light of the current economic uncertainties and the growing risk complexity, we believe that this strategy provides an excellent opportunity for investment and hedging purposes”.

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Notes to Editors

Algebris Investments

Algebris (UK) Limited is a global independent asset manager with a historical focus on the financial sector across the capital structure. Algebris has gradually expanded its expertise and entered the global credit and Italian securities space to capture a broader set of value opportunities. Most recently, Algebris on-boarded a quant team that has embraced a statistical arbitrage strategy based on mean reversion.

Founded by Davide Serra in 2006, Algebris maintains offices in London, Milan, Luxembourg, Boston, Singapore and Tokyo. It has a team of more than 80 professionals and manages USD 12 bn across multiple strategies.

Algebris (UK) Limited is authorised and regulated by the Financial Conduct Authority.
About the team

Gianluca Lobefalo

Gianluca joined Algebris in November 2018 as Head of Quant. In 2008, he co-founded QW Capital LLP, a London-based independent asset manager where he developed proprietary algorithms and a quant equity market neutral strategy. Prior to launching his own venture, Gianluca was an Executive Director at Morgan Stanley International, where he worked in the Interest Rate Derivatives department and, before that, he worked as a fixed income analyst/PM at Schroder Investment Management. He started his career in 1997 as FX analyst at JP Morgan. Gianluca holds a degree in Economics from Università Commerciale Luigi Bocconi and a MSc in Economics from Université Catholique de Louvain à Louvain-La-Neuve, Belgium. He sits on the Advisory Board of the 14-10 Club at the Royal Institution of Great Britain and is a regular speaker at several postgraduate degrees in the UK (Oxford) and in Italy. Italian national, Gianluca is fluent in English, French, Spanish and Portuguese.

Federico Turkheimer

Federico joined Algebris Quant team in November 2018 while he also works as an academic. Electronic engineer by training, he holds a PhD in Nuclear Medicine. He has worked in mathematical neuroscience for the past 25 years holding appointments at the National Institute of Mental Health (Bethesda/USA), at the University of Cambridge and at Imperial College London. Since 2012, he holds the Chair in Neuroimaging (Analysis and Statistics) at King’s College London, Institute of Psychiatry. Prior to joining Algebris, Federico was at QW Capital LLP, a London-based independent asset manager where he developed proprietary algorithms and a quant equity market neutral strategy based on mean reversion. Federico’s interests mainly lie in quantitative models for complex systems and in related analytics to study the emergence of complex behaviour from simple elementary interactions. In the neurosciences, his work focuses on the emergence of behaviour from molecular neurobiology. In quantitative finance, he applies his knowledge of Theory of Complexity to Risk Management. Several works by Federico have been published, the latest of which is “Statistics without equations”.

Raffaele Lubrano

Raffaele joined Algebris Quant team in November 2018. Prior to Algebris, he was at QW Capital LLP, a London-based independent asset manager where he developed proprietary algorithms and a quant equity market neutral strategy based on mean reversion. He has over 25 years’ experience in Finance, Consulting and Computer Programming, having worked at Morgan Stanley Quant Research, Ernest & Young and as an independent financial and programming consultant for many years. Italian national, Raffaele holds a MSc in Finance from the London Business School and a degree in Economics from Università di Napoli.

Alessandro Mancini

Alessandro joined Algebris in November 2018 as a Trader and Portfolio Analyst for the Quant team. Prior to Algebris and since 2013, he worked at QW Capital LLP, a London-based independent asset manager where he helped developing proprietary algorithms and a quant equity market neutral strategy based on mean reversion. Originally from Rome, he holds a degree in Business Administration from Università di Roma Tre (where he majored in Economics and Finance) and put his finance and accounting skills at the service of local charities. Alessandro currently is a MSc in Finance and Investment candidate at CASS Business School in London.